



STATE OF MISSISSIPPI  
OFFICE OF THE STATE AUDITOR

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COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Audited Financial Statements  
For the Year Ended June 30, 2000



COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

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COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

FINANCIAL AUDIT REPORT

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

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## State of Mississippi

OFFICE OF THE STATE AUDITOR  
PHIL BRYANT  
AUDITOR

### INDEPENDENT AUDITOR'S REPORT ON THE GENERAL PURPOSE FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

July 31, 2001

Board of Trustees  
Coahoma Community College and Agricultural High School  
Clarksdale, Mississippi

We have audited the general purpose financial statements of Coahoma Community College and Agricultural High School as of and for the year ended June 30, 2000, as listed in the table of contents. These general purpose financial statements are the responsibility of Coahoma Community College and Agricultural High School's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Coahoma Community College and Agricultural High School as of June 30, 2000, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated July 31, 2001 on our consideration of Coahoma Community College and Agricultural High School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133 and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.



PHIL BRYANT  
State Auditor



RAMONA HILL, CPA  
Director, Financial and Compliance Audit Division



COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

AUDITED FINANCIAL STATEMENTS

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL  
Balance Sheet  
June 30, 2000  
(With Comparative Figures at June 30, 1999)

Exhibit A

ASSETS	Current Year	Prior Year	LIABILITIES AND FUND BALANCES	Current Year	Prior Year
Current Funds			Current Funds		
Current Unrestricted Funds:			Current Unrestricted Funds:		
Cash and other deposits (Note 4)	\$ 293,979	860,711	Accounts payable and accrued expenses	\$ 530,328	627,744
Accounts receivable:			Due to depositors	35,295	30,378
Students, less allowance of			Due to other funds	153,369	103,620
\$2,751,026 (2000) and			Fund balances:		
\$2,756,800 (1999)	365,236	356,896	Unallocated		
Other	166,697	139,428	General	724,478	748,847
Inventories	137,975	110,011	Auxiliary	(29,767)	24,878
Due from other funds	449,816	68,421			
Total Current Unrestricted Funds	<u>1,413,703</u>	<u>1,535,467</u>	Total Current Unrestricted Funds	<u>1,413,703</u>	<u>1,535,467</u>
Current Restricted Funds:			Current Restricted Funds:		
Cash and other deposits (Note 4)	12,718	7,238	Due to other funds	1,101,127	596,075
Other accounts receivable	1,307,192	596,362	Deferred credits		2,151
Due from other funds		79,756	Fund balance:		
Inventories	2,771	461	Allocated	221,554	85,591
Total Current Restricted Funds	<u>1,322,681</u>	<u>683,817</u>	Total Current Restricted Funds	<u>1,322,681</u>	<u>683,817</u>
Total Current Funds	<u>\$ 2,736,384</u>	<u>2,219,284</u>	Total Current Funds	<u>\$ 2,736,384</u>	<u>2,219,284</u>
Loan Funds			Loan Funds		
Cash and other deposits (Note 4)	\$ 3,983	14,000	Fund balances:		
Notes receivable:			Federal	\$ 37,260	51,644
Federal student loans, less allowance of					
\$336,316 (2000) and					
\$336,316 (1999) (Note 6)	31,239	35,606			
Due from other funds	<u>2,038</u>	<u>2,038</u>			
Total Loan Funds	<u>\$ 37,260</u>	<u>51,644</u>	Total Loan Funds	<u>\$ 37,260</u>	<u>51,644</u>
Endowment and Similar Funds			Endowment and Similar Funds		
Cash and other deposits (Note 4)	\$ 2,008	6,699	Fund balances:	\$	
Investments (Note 5)	3,379,211	2,944,659	Endowment	3,381,354	2,951,493
Due from other funds	<u>135</u>	<u>135</u>			
Total Endowment & Similar Funds	<u>\$ 3,381,354</u>	<u>2,951,493</u>	Total Endowment & Similar Funds	<u>\$ 3,381,354</u>	<u>2,951,493</u>

Plant Funds			
Cash and other deposits (Note 4)	\$	2,348,201	2,860,551
Other accounts receivable		8,234	12,731
Due from other funds		803,936	605,594
Land		305,558	305,558
Improvements other than buildings		783,251	783,251
Buildings		23,488,454	20,977,120
Furniture, machinery and equipment		6,204,701	4,300,381
Books and films		923,022	906,731
Assets under capital leases		110,127	95,888
Construction in progress		<u>367,869</u>	<u>1,212,554</u>
Total Plant Funds	\$	<u><u>35,343,353</u></u>	<u><u>32,060,359</u></u>
Agency Funds			
Cash and other deposits (Note 4)	\$	49,775	26,185
Due from depositors		<u>          </u>	<u>15,766</u>
Total Agency Funds	\$	<u><u>49,775</u></u>	<u><u>41,951</u></u>

Plant Funds			
Due to other funds	\$		22,391
Notes payable (Note 7)		2,501,157	2,635,848
Bonds payable (Note 7)		515,000	531,000
Obligations under capital leases (Note 7)		75,479	79,825
Fund balances:			
Unexpended		3,160,371	3,456,485
Net investment in plant		29,091,346	25,334,810
Total Plant Funds	\$	<u><u>35,343,353</u></u>	<u><u>32,060,359</u></u>
Agency Funds			
Due to depositors	\$	48,346	8,093
Due to other funds		<u>1,429</u>	<u>33,858</u>
Total Agency Funds	\$	<u><u>49,775</u></u>	<u><u>41,951</u></u>

See accompanying Summary of Significant Accounting Policies and Notes to Financial Statements.

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL  
Statement of Changes in Fund Balances  
For the Year Ended June 30, 2000

Exhibit B

	<u>Current Funds</u>				Endowment and Similar Funds	<u>Plant Funds</u>		
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Loan Funds</u>		<u>Unexpended</u>	<u>Retirement of Indebtedness</u>	<u>Investment in Plant</u>
Revenues and Other Additions								
Tuition and fees	\$ 1,507,281		1,507,281					
State appropriations	4,932,226	587,335	5,519,561			117,610		
Local appropriations	1,885,392		1,885,392			409,408		
Federal grants and contracts	134,562	5,940,759	6,075,321					
State grants and contracts	3,903	1,181,728	1,185,631			43,787		
Local grants and contracts	24,115		24,115					
Private gifts, grants & contracts	23,171	93,501	116,672					
Investment income	9,746		9,746	62	13,474	121,409		
Increase (decrease) in fair value of investments					416,387			
Additions to plant facilities								1,059,175
Retirement of indebtedness								169,276
Sales and services of educational activities	42,484		42,484					
Sales and services of auxiliary activities	914,782	3,941	918,723					
Other	52,792	112,134	164,926					
Total Rev. & Other Additions	<u>9,530,454</u>	<u>7,919,398</u>	<u>17,449,852</u>	<u>62</u>	<u>429,861</u>	<u>692,214</u>		<u>1,228,451</u>
Expenditures & Other Deductions								
Educational and general:								
Instruction	2,469,323	3,948,378	6,417,701					
Academic support	528,369	569,032	1,097,401					
Student services	847,708	534,046	1,381,754					
Institutional support	1,866,419	556,624	2,423,043					
Operation & maint. of plant	1,345,900	254,860	1,600,760					
Student aid	211,215	2,813,302	3,024,517					
Total Educational and General	<u>7,268,934</u>	<u>8,676,242</u>	<u>15,945,176</u>					
Auxiliary	1,043,341		1,043,341					
Refunds to grantors	5,400		5,400	14,446				
Repairs and maintenance						540,277		
Expended for plant facilities						448,051		
Plant assets sold or retired								23,489
Retirement of indebtedness							169,276	
Interest on indebtedness							160,123	

Long-term debt incurred							14,239
Provision for uncollectible accounts	(5,774)		(5,774)				
Other	<u>25,399</u>		<u>25,399</u>			<u>4,291</u>	
Total Expenditures and Other Deductions	<u>8,337,300</u>	<u>8,676,242</u>	<u>17,013,542</u>	<u>14,446</u>	<u>988,328</u>	<u>333,690</u>	<u>37,728</u>
Transfers - Additions (Deductions)							
Mandatory:							
Principal and interest	<u>(333,690)</u>		<u>(333,690)</u>			<u>333,690</u>	
Total Mandatory	<u>(333,690)</u>		<u>(333,690)</u>			<u>333,690</u>	
Other:							
Other	<u>(740,212)</u>	<u>740,212</u>					
Total Other	<u>(740,212)</u>	<u>740,212</u>					
Total Transfers	<u>(1,073,902)</u>	<u>740,212</u>	<u>(333,690)</u>			<u>333,690</u>	
Net Increase (Decr.) for Year	<u>119,252</u>	<u>(16,632)</u>	<u>102,620</u>	<u>(14,384)</u>	<u>429,861</u>	<u>(296,114)</u>	<u>1,190,723</u>
Fund Balance at Beg. of Year							
As Previously Reported	773,725	85,591	859,316	51,644	2,951,493	3,456,485	25,334,810
Adjustments (Note 3)	<u>(198,266)</u>	<u>152,595</u>	<u>(45,671)</u>				<u>2,565,813</u>
Restated	<u>575,459</u>	<u>238,186</u>	<u>813,645</u>	<u>51,644</u>	<u>2,951,493</u>	<u>3,456,485</u>	<u>27,900,623</u>
Fund Balance at End of Year	<u>\$ 694,711</u>	<u>221,554</u>	<u>916,265</u>	<u>37,260</u>	<u>3,381,354</u>	<u>3,160,371</u>	<u>29,091,346</u>

See accompanying Summary of Significant Accounting Policies and Notes to Financial Statements.

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL  
Statement of Current Fund Revenues, Expenditures and Other Changes  
For the Year Ended June 30, 2000  
(With Comparative Figures for the Year Ended June 30, 1999)

Exhibit C

	Current Year			Prior Year
	Unrestricted	Restricted	Total	Total
Revenues and Other Additions				
Tuition and fees	\$ 1,507,281		1,507,281	1,222,355
State appropriations	4,932,226	587,335	5,519,561	5,498,651
Local appropriations	1,885,392		1,885,392	1,805,692
Federal grants and contracts	134,562	6,564,004	6,698,566	6,364,141
State grants and contracts	3,903	1,303,358	1,307,261	1,116,639
Local grants and contracts	24,115		24,115	19,034
Private gifts, grants and contracts	23,171	105,470	128,641	46,585
Investment income	9,746		9,746	9,587
Sales and services of educational activities	42,484		42,484	
Sales and services of auxiliary activities	914,782	3,941	918,723	823,555
Other	52,792	112,134	164,926	158,688
Total Revenues and Other Additions	9,530,454	8,676,242	18,206,696	17,064,927
Expenditures & Mandatory Transfers				
Educational and general:				
Instruction	2,469,323	3,948,378	6,417,701	5,054,363
Academic support	528,369	569,032	1,097,401	1,752,486
Student services	847,708	534,046	1,381,754	1,665,435
Institutional support	1,866,419	556,624	2,423,043	2,285,880
Oper. & maintenance of plant	1,345,900	254,860	1,600,760	1,174,739
Student aid	211,215	2,813,302	3,024,517	2,980,556
Total Educational and General Expenditures	7,268,934	8,676,242	15,945,176	14,913,459
Mandatory transfers:				
Principal and interest	333,690		333,690	255,760
Total Educational and General	7,602,624	8,676,242	16,278,866	15,169,219
Auxiliary enterprises:				
Expenditures	1,043,341		1,043,341	904,328
Total Auxiliary Enterprises	1,043,341		1,043,341	904,328
Total Expenditures and Mandatory Transfers	8,645,965	8,676,242	17,322,207	16,073,547

	<u>Current Year</u>			<u>Prior Year</u>
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
Other Transfers - Additions (Ded.)				
Excess restricted receipts over expenditures & mandatory transfers		(756,844)	(756,844)	(611,575)
Other	(740,212)	740,212		
Refunds to grantors	(5,400)		(5,400)	
Provision for uncollectible accounts	5,774		5,774	
Other	<u>(25,399)</u>		<u>(25,399)</u>	
Total Other Transfers - Additions (Deductions)	<u>(765,237)</u>	<u>(16,632)</u>	<u>(781,869)</u>	<u>(611,575)</u>
Net Change in Fund Balance	\$ <u>119,252</u>	<u>(16,632)</u>	<u>102,620</u>	<u>379,805</u>

See accompanying Summary of Significant Accounting Policies and Notes to Financial Statements.

## COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

### Summary of Significant Accounting Policies For the Year Ended June 30, 2000

The significant accounting policies followed by Coahoma Community College and Agricultural High School are described below to enhance the usefulness of the financial statements to the reader.

(1) Basis of Accounting.

Coahoma Community College and Agricultural High School uses the accounting system set out in the "Accounting Manual for Mississippi's Public Junior Colleges." This manual conforms in most respects with the principles set forth in the "Financial and Reporting Manual for Higher Education" issued by the National Association of College and University Business Officers (NACUBO) and the Industry Audit Guide, "Audits of Colleges and Universities" issued by the American Institute of Certified Public Accountants, while acknowledging the goals and activities of Mississippi's public community colleges.

The accompanying financial statements have been prepared generally on the accrual basis with the following exceptions, which are common practices in colleges and universities:

- A. Depreciation on physical plant and equipment has not been provided.
- B. To the extent that Current Funds are used to finance plant assets, the amounts so provided are accounted for as (a) expenditures, in the case of normal acquisition and/or replacement of moveable equipment and library books; (b) mandatory transfers, in the case of required provisions for debt amortization and interest, and equipment renewals and replacements; and (c) transfers of a nonmandatory nature for all other cases.
- C. Interest on student loans is recorded only when received.
- D. Interest expense on debt is recorded when paid.

Gifts, grants and pledges are generally recorded when received or when billable.

Investments are recorded in accordance with Governmental Accounting Standards Board Statement Number 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools.

Property, buildings and equipment are stated at cost at the date of acquisition or fair market value at date of donation. Improvements made as part of repair and renovation projects are capitalized based upon institution estimates which approximate cost. Public domain (infrastructure) fixed assets consisting of certain improvements other than buildings, such as roads, bridges, sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the institution, are capitalized.

Merchandise for resale inventories and consumable supply inventories are stated at cost, with cost being determined principally by the first-in, first-out method.

All revenues and related expenditures incurred in connection with summer sessions are reported within the fiscal year in which the summer sessions are predominantly conducted.



# COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

## Summary of Significant Accounting Policies For the Year Ended June 30, 2000

### (2) Fund Accounting.

In order to insure observance of limitations and restrictions placed on the use of the resources available, the accounts of the institution are maintained in accordance with the principles of "fund accounting". This accounting is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group.

The Current Funds are used primarily to account for transactions which are expended in performing the primary and support objectives of the institution.

Current Funds consist of the following:

- A. The Unrestricted Fund which is used to account for:
  - 1. The appropriated budget as approved by the Mississippi State Legislature and the Board of Trustees of Coahoma Community College and Agricultural High School.
  - 2. The unrestricted resources designated for specific purposes by the institution's administration.
  - 3. The transactions of substantially self-supporting activities that primarily provide services for students, faculty and staff.
- B. The Restricted Fund which is used to account for Current Funds expended for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended.

Other funds consist of the following:

- A. The Loan Funds are used to account for loans to students. Resources to provide loans are derived primarily from the repayment of principal and interest on existing loans.
- B. Endowment and Similar Funds which generally are subject to the restrictions of donor gift instruments include True Endowment Funds which are funds received from a donor with the restriction that only the income is to be utilized.
- C. The Plant Funds which are used to account for the transactions relating to institution physical properties include:
  - 1. The Unexpended Plant Fund which is comprised of amounts which have been appropriated or designated for the purchase of institution physical properties or the repair and maintenance of such physical properties.
  - 2. The Retirement of Indebtedness Plant Fund which represents resources held for the retirement of and interest on debt and includes sinking funds established under bond indentures and note and lease amortization payments accumulated, but not yet due.
  - 3. The Investment in Plant Fund which represents the total physical properties in service by the institution and all construction in progress as well as any associated liabilities.

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Summary of Significant Accounting Policies  
For the Year Ended June 30, 2000

- D. Agency Funds account for assets held by the institution as custodian or fiscal agent for others. Consequently, the transactions of this fund do not affect the statement of changes in fund balances.

# COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

## Notes to Financial Statements For the Year Ended June 30, 2000

### (1) Appropriations - General Operations.

Coahoma Community College and Agricultural High School receives funds from the state of Mississippi based on the number of full-time students actually enrolled and in attendance on the last day of the sixth week of the fall semester of the previous year, counting only those students who reside within the state of Mississippi. In addition, the institution receives funds from taxes levied by the counties in the district for general support, maintenance and capital improvement.

### (2) Accrued Leave.

Because the institution does not provide for the accumulation of sick leave or vacation beyond one fiscal year, no liability has been accrued in the financial statements.

### (3) Prior Period Adjustments.

For the year ended June 30, 2000, the institution recorded prior period adjustments which consisted of the following additions and deductions to the various fund balances:

<u>Explanation</u>	<u>Additions (Deductions)</u>
<u>Unrestricted Fund</u>	
Equity transfer for high school accounts reported as restricted funds	\$ (218,815)
Correction of prior year receivables	<u>20,549</u>
Total Unrestricted Fund	\$ <u>(198,266)</u>
<u>Restricted Fund</u>	
Equity transfer for high school accounts reported as restricted funds	\$ 218,815
Prior year audit entry that was incorrectly reversed	(37,053)
Correction of prior year receivables/payables	<u>(29,167)</u>
Total Restricted Fund	\$ <u>152,595</u>
<u>Investment in Plant Fund</u>	
Addition of beginning balance of vocational equipment transferred from the state of Mississippi	\$ 1,294,860
Addition of beginning balance of high school buildings and vocational equipment	<u>1,270,953</u>
Total Investment in Plant Fund	\$ <u>2,565,813</u>

### (4) Cash and Other Deposits.

# COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

## Notes to Financial Statements For the Year Ended June 30, 2000

For financial statement purposes, cash and other deposits are represented by demand accounts and time deposits such as savings accounts, certificates of deposit and money market funds. Also included in this account are imprest cash accounts held by the institution. The carrying amount of the institution's cash and other deposits at June 30, 2000, was \$2,710,664, and the depository balance was \$3,058,050. The entire depository balance was covered by federal depository insurance or by collateral held by the institution or its agent.

### (5) Investments.

Except for (1) nonparticipating investment contracts and for (2) participating interest-earning investment contracts and money market investments that had a remaining maturity at the time of purchase of one year or less, investments are reported at fair value which is based on quoted market price. Nonparticipating investment contracts such as repurchase agreements and nonnegotiable certificates of deposit are reported at cost. Participating interest-earning investment contracts and money market investments that had a remaining maturity at time of purchase of one year or less are reported at amortized cost. Investments made by the institution that are included on the balance sheet consisted sole of mutual funds with a fair value of \$3,379,211 and a cost of \$2,587,782.

### (6) Notes Receivable From Students.

Notes receivable from students are payable in installments over a period of up to ten years, commencing three to 12 months from the date of separation from the institution. The following is a schedule of interest rates and unpaid balances for the different types of notes receivable held by the institution at June 30, 2000:

	Interest Rates	Unpaid Balance June 30, 2000
Perkins student loans	3% - 6%	\$ 367,555
Total Notes Receivable		367,555
Less: Allowance for Doubtful Accounts		336,316
Net Notes Receivable		\$ 31,239

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Notes to Financial Statements  
For the Year Ended June 30, 2000

(7) Long-term Debt.

The institution has long-term obligations of the following:

Description and Purpose	Original Issue	Annual Interest Rate	Maturity Date	Amount Owed at June 30, 2000
A. Bonded Debt.				
Coahoma County Agricultural High School, state aid capital improvement bonds, Series 1998	\$ 541,000	5.00%	2018	\$ 515,000
Total Bonded Debt	\$ <u>541,000</u>			\$ <u>515,000</u>
B. Notes.				
Department of Environmental Quality - state revolving fund loan	\$ 316,144	4.00%	2014	\$ 236,157
Educational facilities notes, Series 1998	<u>2,500,000</u>	4.375% to 6.10%	2013	<u>2,265,000</u>
Total Notes	\$ <u>2,816,144</u>			\$ <u>2,501,157</u>
C. Capital Leases.				
Band equipment	\$ 95,888	8.87%	2003	\$ 62,337
Ford tractor	<u>14,239</u>	5.67%	2003	<u>13,142</u>
Total Capital Leases	\$ <u>110,127</u>			\$ <u>75,479</u>

These leases cover a period of three to five years. The institution has the option to prepay all outstanding payments less any unearned interest to fully satisfy the obligation.

There is also a fiscal funding addendum that states that if funds are not appropriated for periodic payment for any future fiscal period, the lessee will not be obligated to pay the remainder of the total payments due beyond the end of the current fiscal period.

The amount capitalized as leased property under capital leases is the amount of the original obligation.

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Notes to Financial Statements  
For the Year Ended June 30, 2000

Annual requirements to amortize outstanding long-term debt are as follows:

Year Ending June 30	Total	Bonds	Notes	Leases
2001	\$ 328,458	43,750	254,966	29,742
2002	330,933	43,850	257,341	29,742
2003	326,455	43,900	254,106	28,449
2004	296,706	43,900	252,806	
2005	300,312	43,850	256,462	
Later years	2,668,930	574,200	2,094,730	
Total	4,251,794	793,450	3,370,411	87,933
Less: Amounts Representing Interest		278,450	869,254	12,454
Total at Present Value	\$ <u>4,251,794</u>	<u>515,000</u>	<u>2,501,157</u>	<u>75,479</u>

(8) Operating Leases.

Leased property under operating leases is composed of office copiers. The following is a schedule by years of the future minimum rental payments required under those operating leases:

Year Ending June 30	Amount
2001	\$ 12,096
2002	9,296
2003	<u>3,456</u>
Total Minimum Payments Required	\$ <u>24,848</u>

The total rental expense for all operating leases, except those with terms of a month or less that were not renewed, for the fiscal year ending June 30, 2000, was \$12,096.

(9) Construction Commitments and Financing.

The institution has contracted for the construction of a new men's dormitory. At June 30, 2000, estimated costs to complete the project are \$2,445,961. The remaining costs are to be funded by proceeds of the educational facilities notes, Series 1998 (see Note 7) and by institutional funds.

# COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

## Notes to Financial Statements For the Year Ended June 30, 2000

### (10) Pension Plan.

Plan Description. The institution contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, MS 39201-1005 or by calling (601) 359-3589 or 1-800-444-PERS.

Funding Policy. PERS members are required to contribute 7.25% of their annual covered salary and the institution is required to contribute at an actuarially determined rate. The current rate is 9.75% of annual covered payroll. The contribution requirement of PERS members are established and may be amended only by the State of Mississippi Legislature. The institution's contributions to PERS for the years ending June 30, 2000, 1999 and 1998 were \$635,265, \$604,087 and \$547,745, respectively, equal to the required contributions for each year.

### (11) Foundation.

The Coahoma Community College Foundation, Inc. is an independent corporation formed for the purpose of receiving funds for the sole benefit of the institution. Following is a summary of the foundation's financial position at June 30, 2000, which amounts are not included in the financial statements of the institution:

<u>Assets</u>	<u>Amount</u>
Cash and investments	\$ <u>1,630</u>
Total Assets	\$ <u><u>1,630</u></u>
<u>Liabilities and Fund Balances</u>	
Fund balances:	
Current Funds:	
Unrestricted	\$ <u>1,630</u>
Total Liabilities and Fund Balances	\$ <u><u>1,630</u></u>

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SUPPLEMENTAL INFORMATION

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2000

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
Student Financial Aid - Cluster:			
<u>U.S. Department of Education</u>			
Federal PELL Grant Program	84.063		\$ 2,809,482
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007		269,259
Federal Family Education Loans (FFEL)	(2) 84.032		21,435
Federal Work-study Program (FWS)	84.033		278,295
Federal Perkins Loan Program (FPL)	(1) 84.038		0
Subtotal direct programs			<u>3,378,471</u>
Pass-through program from:			
Mississippi Board of Institutions of Higher Learning - Leveraging Educational Assistance Program	84.069		<u>1,179</u>
Total U.S. Department of Education			<u>3,379,650</u>
Total Student Financial Aid			<u>3,379,650</u>
Child Nutrition - Cluster:			
<u>U.S. Department of Agriculture</u>			
National School Lunch Program	10.555		78,655
Summer School Food Service Program for Children	10.559		<u>41,360</u>
Total U.S. Department of Agriculture			<u>120,015</u>
Total Child Nutrition Cluster			<u>120,015</u>
Other Programs:			
<u>U.S. Department of Agriculture</u>			
Food Distribution	10.550		<u>6,848</u>
Total U.S. Department of Agriculture			<u>6,848</u>
<u>U.S. Department of Justice</u>			
Public Safety Partnership & Community Policing Grants	16.710		<u>93,517</u>
Total U.S. Department of Justice			<u>93,517</u>
<u>U.S. Department of Housing and Urban Development</u>			
Historically Black Colleges and Universities Program	14.237		<u>213,413</u>
Total U.S. Department of Housing and Urban Development			<u>213,413</u>

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2000

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Labor</u>			
Pass-through programs from:			
Mississippi Department of Education - Employment Services and Job Training Pilots - Demonstrations and Research	17.249	99-3201-1211-002	<u>124,350</u>
Mississippi Department of Education - Job Training Partnership Act	17.250	9-6M-H-501-777	<u>153,033</u>
Total U.S. Department of Labor			<u>277,383</u>
<u>National Aeronautics and Space Administration</u>			
Pass-through programs from:			
Mississippi State Board for Community and Junior Colleges - Aerospace Education Services Program	43.001	NAS 13-564	141,646
University of Mississippi - Aerospace Education Services Program	43.001	N/A	<u>7,814</u>
Total National Aeronautics and Space Administration			<u>149,460</u>
<u>National Science Foundation</u>			
Pass-through program from:			
University of Mississippi - Delta Rural Systemic Initiative Program - Education and Human Resources	47.076	ESR-97000041	<u>41,078</u>
Total National Science Foundation			<u>41,078</u>
<u>U.S. Department of Education</u>			
Higher Education - Institutional Aid	84.031		782,592
TRIO-Upward Bound	84.047		<u>245,681</u>
Subtotal direct programs			<u>1,028,273</u>
Pass-through programs from:			
Mississippi State Board for Community & Junior Colleges - Adult Education - State Grant Program	84.002	N/A	211,647
Mississippi Department of Education - Title I Grants to Local Educational Agencies	84.010	C199-1421	262,493
Mississippi Department of Education - Special Education - Grants to States	84.027	B108-1421	14,785
Mississippi Department of Education - Vocational Education - Basic Grants to States	84.048	1403	174,214
Mississippi Department of Education - Tech-Prep Education	84.243	N/A	133,478
Mississippi Department of Education - Safe and Drug-free Schools and Communities - State Grants	84.186	DF99-1421	2,730

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2000

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
Mississippi Department of Education - Eisenhower Professional Development State Grants	84.281	98-80E	1,723
Mississippi Department of Education - Eisenhower Professional Development State Grants	84.281	EG-99-1421	7,021
Subtotal pass-through programs			<u>808,091</u>
Total U.S. Department of Education			<u>1,836,364</u>
<u>U.S. Department of Health and Human Services</u>			
Pass-through programs from:			
Mississippi Community College Foundation - Development and Coordination of Rural Health Services	93.223	N/A	<u>73,381</u>
Total U.S. Department of Health and Human Services			<u>73,381</u>
Total Other Programs			<u>2,691,444</u>
Total Expenditures of Federal Awards			\$ <u><u>6,191,109</u></u>

Notes to Schedule of Expenditures of Federal Awards

This schedule was prepared using the same basis of accounting and the same significant accounting policies, as applicable, used for the general purpose financial statements, with the following exceptions:

- (1) For purposes of this schedule, no loans were advanced from the Federal Perkins Loan Program (CFDA #84.038). The outstanding loan balances and allowance for uncollectible amounts for the loan program at June 30, 2000 are reflected in Note (6) to the financial statements.
- (2) For purposes of this schedule, loans made to students under the Federal Family Educational Loan Program (CFDA #84.032) are presented as federal expenditures. Neither the funds advanced to students, nor the outstanding loan balance is included in the financial statements since the loans are made and subsequently collected by private lending institutions and/or the federal government.

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

REPORTS ON COMPLIANCE AND INTERNAL CONTROL

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## State of Mississippi

OFFICE OF THE STATE AUDITOR  
PHIL BRYANT  
AUDITOR

INDEPENDENT AUDITOR'S REPORT  
ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF THE GENERAL PURPOSE FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

July 31, 2001

Board of Trustees  
Coahoma Community College and Agricultural High School  
Clarksdale, Mississippi

We have audited the general purpose financial statements of Coahoma Community College and Agricultural High School as of and for the year ended June 30, 2000, and have issued our report thereon dated July 31, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America.

### Compliance

As part of obtaining reasonable assurance about whether the institution's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests did not disclose any instances of noncompliance that are required to be reported under Government Auditing Standards. However, we noted a certain immaterial instance of noncompliance that we have reported to management of the institution in a separate letter dated July 31, 2001, which is included in this report.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the institution's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our opinion, could adversely affect the institution's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 2000-1 through 2000-6.

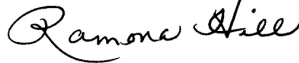
A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all reportable conditions and, accordingly, would not also disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described in the findings referred to above, we consider items 2000-1, 2000-2 and 2000-3 to be material weaknesses.

This report is intended solely for the information and use of management, entities with accreditation overview, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



PHIL BRYANT  
State Auditor

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RAMONA HILL, CPA  
Director, Financial and Compliance Audit Division





## State of Mississippi

OFFICE OF THE STATE AUDITOR  
PHIL BRYANT  
AUDITOR

### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

July 31, 2001

Board of Trustees  
Coahoma Community College and Agricultural High School  
Clarksdale, Mississippi

#### Compliance

We have audited the compliance of Coahoma Community College and Agricultural High School with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2000. The institution's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the institution's management. Our responsibility is to express an opinion on the institution's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the institution's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the institution's compliance with those requirements.

In our opinion, Coahoma Community College and Agricultural High School complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2000-7.

## Internal Control Over Compliance

The management of Coahoma Community College and Agricultural High School is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the institution's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our opinion, could adversely affect the institution's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 2000-7 and 2000-8.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described in the findings referred to above is a material weakness.

This report is intended solely for the information and use of management, entities with accreditation overview, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



PHIL BRYANT  
State Auditor



RAMONA HILL, CPA  
Director, Financial and Compliance Audit Division

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

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## State of Mississippi

OFFICE OF THE STATE AUDITOR  
PHIL BRYANT  
AUDITOR

### INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

July 31, 2001

Board of Trustees  
Coahoma Community College and Agricultural High School  
Clarksdale, Mississippi

We have audited the general purpose financial statements of Coahoma Community College and Agricultural High School as of and for the year ended June 30, 2000, and have issued our report thereon dated July 31, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

We have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of those procedures and our audit of the general purpose financial statements disclosed the following immaterial instance of noncompliance with state laws and regulations. Our finding and recommendation and your response is as follows:

#### Finding

Surety bonds for the superintendent, principals and the purchasing agent for Coahoma County Agricultural High School were not recorded in the chancery clerk's office as required by Sections 37-9-27, 37-9-31 and 37-39-21, respectively, of the Miss. Code Ann. (1972).

#### Recommendation

Surety bonds for the officers mentioned above should be recorded in the chancery clerk's office as required.

#### Institution's Response

The surety bonds are recorded in the chancery clerk's office as required by the Mississippi Codes.

The Office of the State Auditor will review, on the subsequent year's audit engagement, the finding in this report to insure that corrective action has been taken.

This report is intended solely for the information and use of management, entities with accreditation overview, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



PHIL BRYANT  
State Auditor

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RAMONA HILL, CPA  
Director, Financial and Compliance Audit Division

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2000

Section 1: Summary of Auditor's Results

Financial Statements:

- |    |   |             |
|----|---|-------------|
| 1. | Type of auditor's report issued on the general purpose financial statements:          | Unqualified |
| 2. | Material noncompliance relating to the general purpose financial statements?          | No          |
| 3. | Internal control over financial reporting:  |             |
| a. | Material weakness(es) identified?   | Yes         |
| b. | Reportable condition(s) identified that are not considered to be material weaknesses? | Yes         |

Federal Awards:

- |    |   |             |
|----|---|-------------|
| 4. | Type of auditor's report issued on compliance for major federal programs:             | Unqualified |
| 5. | Internal control over major programs:   |             |
| a. | Material weakness(es) identified?   | No          |
| b. | Reportable condition(s) identified that are not considered to be material weaknesses? | Yes         |
| 6. | Any audit finding(s) reported as required by Section __.510(a) of Circular A-133?     | Yes         |
| 7. | Federal programs identified as major programs:  |             |
| a. | Student financial aid cluster:  |             |
|    | CFDA #84.063  |             |
|    | CFDA #84.007  |             |
|    | CFDA #84.032  |             |
|    | CFDA #84.033  |             |
|    | CFDA #84.038  |             |
|    | CFDA #84.069  |             |
| b. | Higher education - institutional aid  |             |
|    | CFDA #84.031  |             |
| 8. | The dollar threshold used to distinguish between type A and type B programs:          | \$300,000   |
| 9. | Auditee qualified as a low-risk auditee?  | No          |

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2000

- 10 Prior fiscal year audit finding(s) and questioned cost relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings as discussed in Section \_\_\_\_ .315(b) of OMB Circular A-133? Yes

Section 2: Financial Statement Findings

Material Weaknesses

2000-1. Finding

During our audit of the fixed asset accounts, we noted the following:

- A. As previously reported, adequate detailed records are not maintained to support the amounts carried on the general ledger for either improvements other than buildings or library books and films.
- B. As previously reported, the general ledger balance for equipment does not agree with the detailed listing. Additionally, adequate procedures do not exist to reconcile the balances on a periodic basis.
- C. As previously reported, adequate detailed records are not maintained to support the amount of additions and deletions of high school equipment.
- D. As previously reported, procedures for recording fixed asset deletions do not appear to be functioning properly. Items included on the deletions listing are still on the master listing.
- E. As previously reported, procedures for recording equipment transfers do not appear to be functioning properly.
- F. Vocational education equipment which was transferred to the college was not included on the general ledger. Audit adjustments were made to properly reflect the affected accounts.

Recommendation

Procedures should be developed and placed in operation to adequately document and maintain fixed asset records. Detailed listing should be prepared and updated in a timely manner to adequately document the assets of the college.

2000-2. Finding

During our audit of the Loan Fund, we noted the following:

- A. As previously reported, the general ledger and service agency records are not periodically reconciled. This resulted in two loans not being submitted to the agency. An incorrect enrollment status was reflected for some students.

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2000

- B. Payments received by the college from collection agencies are not submitted to the service agency on a timely basis.
- C. Payments received by the college are not adequately recorded to distinguish between the principal and interest portions of the payment.

Recommendation

Procedures should be established to reconcile Loan Fund records with the service agency records. This will insure that all new loans and payments are being properly accounted for and that all information submitted to and received from the service agency is accurate.

2000-3. Finding

During our audit of student accounts receivable, we noted the following deficiencies. Audit adjustments were made to present the balances as materially correct.

- A. The accounts receivable subsidiary ledger was not reconciled to the general ledger.
- B. A portion of the general ledger consists of old student accounts not supported by an adequate subsidiary ledger.
- C. Credit account balances are not investigated to determine the nature or validity of the balance.

Recommendation

Procedures should be established to insure that student accounts receivable is adequately reconciled and supported by detailed subsidiary records. The general ledger and subsidiary ledger should be reconciled monthly and any discrepancies or unusual balances corrected.

Reportable Condition(s) Not Considered To Be Material Weaknesses

2000-4. Finding

The following items were noted during our examination of expenditures:

- A. Appointment letters for noncontract employees were not included in employee personnel files.
- B. Documentation for additional pay for regular employees was not available.
- C. As previously reported, expenditure transactions were processed inconsistently.
- D. As previously reported, several transactions were paid without an invoice.
- E. As previously reported, adequate documentation was not obtained prior to payment of certain travel expenses, such as hotels and group meals, paid in advance.

Recommendation

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2000

- A. Documentation should be maintained in employee personnel files authorizing employment for all employees.
- B. Documentation authorizing additional pay for all employees should be maintained in the employee personnel files.
- C. Procedures should be established whereby different classes of transactions require the same documentation for payment. At a minimum, an invoice and an approved requisition/authorization to pay form should be required.
- D. A valid invoice or other supporting documentation should be required before payment is made on any transaction.
- E. When paying travel expenses in advance, at a minimum, the travel authorization form should be attached to document the date of travel, the person traveling and the reason for the travel. All advances should be followed up by a travel expense voucher.

2000-5. Finding

As previously reported, during our examination of cash and other deposits we noted the following:

- A. Some bank reconciliations were balanced using an "out of balance" amount.
- B. Checks dating back to 1992 are listed on the outstanding checks listing.
- C. The bank account for the cafeteria plan is not recorded on the general ledger. Additionally, one petty cash account on the general ledger could not be reconciled.
- D. All voided checks were not marked void or otherwise defaced.

Recommendation

- A. Bank reconciliations should be accurately prepared and all reconciling items explained.
- B. Procedures should be established for writing off old outstanding checks after a reasonable amount of time has expired.
- C. Procedures should be established to insure that all cash accounts are recorded on the general ledger.
- D. All voided checks should be defaced to prevent future negotiation.

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2000

2000-6. Finding

Controls over the refunding of student room deposits do not appear to be functioning properly. Per college policy, room deposits should be refunded at the end of each semester. Only the deposits for the following semester should be held. However, the balance of deposits refundable appears unreasonably high and is increasing each year.

Recommendation

Procedures should be implemented to insure that refunds of room deposits are handled according to college policy. All deposits on hand should be evaluated to determine the proper disposition of the amounts held.

Section 3: Federal Award Findings and Questioned Costs

Reportable Condition(s) Not Considered To Be Material Weaknesses

2000-7. Finding

Program: Higher Education - Institutional Aid; CFDA #84.031

Compliance requirements: Activities allowed and unallowed; allowable costs/cost principles

Adequate controls were not in place to insure only allowable costs are charged to the grant.

During our examination of expenditures, we noted the following:

- A. Salaries and fringe benefits were charged and, subsequently, funds drawn for one position that was not approved in the grant budget. This resulted in unallowable charges made against the grant.
- B. One expenditure was recorded twice. Based on the college's method of drawing grant funds, this resulted in the college being reimbursed twice for the same expenditure.
- C. Donations were made to two organizations from grant funds. Per OMB Circular A-21, grants and contributions are not allowable costs.

Questioned costs: \$48,037

Recommendation

Controls should be established which would help insure only allowable costs are charged to the grant. Only expenditures approved in the grant budget should be charged as grant expenditures. Additionally, only those costs allowed per OMB Circular A-21 should be charged against the grant. In the event an unallowable charge is made against the grant, funds for these particular expenditures should not be drawn from the Department of Education.

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2000

2000-8. Finding

Program: Student Financial Aid Cluster; CFDA #'s 84.007, 84.032, 84.033, 84.063 & 84.069

Compliance requirement: Eligibility

During our testing of student eligibility, conflicting information concerning student enrollment was provided. Information on the number of hours attended included in the student financial aid files did not agree with the number of hours per the student's enrollment history. Additionally, one student was not listed on the enrollment report but was enrolled as a full-time student. Consistent enrollment information is necessary to properly document a student's eligibility for the amount of student aid awarded.

Recommendation

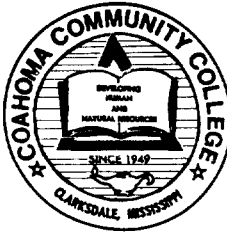
Procedures should be implemented to insure that student enrollment information is adequately maintained. Enrollment information should provide evidence to substantiate the number of hours used to determine each student's status for purposes of calculating the amount of financial aid to be awarded.

COAHOMA COMMUNITY COLLEGE AND AGRICULTURAL HIGH SCHOOL

AUDITEE'S CORRECTIVE ACTION PLAN  
AND SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

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# COAHOMA COMMUNITY COLLEGE

## AND AGRICULTURAL HIGH SCHOOL

3240 FRIARS POINT ROAD  
CLARKSDALE, MISSISSIPPI 38614-9799  
662-627-2571

As required by Section \_\_.315(b) of OMB Circular A-133, Community College has prepared and hereby submits the following corrective action plan for the findings included in the Schedule of Findings and Questioned Costs for the year ended June 30, 2000:

<u>Finding</u>	<u>Corrective Action Plan Details</u>
2000-1.	<p>a. Name(s) of Contact Person(s) Responsible for Corrective Action:</p> <p>Milroy Harris, Inventory Control Director (662) 621-4291</p> <p>b. Corrective Action Planned:</p> <p>Inventory policies and procedures have been developed and strengthened to adequately document and maintain the college's fixed assets. Detailed listing of the college's and high school fixed assets are being prepared, updated, and reconciled monthly. A full inventory is scheduled for the fall of 2001.</p> <p>c. Anticipated Completion Date:</p> <p>September 30, 2001</p>
2000-2.	<p>a. Name(s) of Contact Person(s) Responsible for Corrective Action:</p> <p>Deborah S. Meeks, Business Manager, (662) 621-4124</p> <p>b. Corrective Action Planned:</p> <p>Procedures have been established to reconcile the loan fund records with the Service agency records. All payments are being properly accounted for and information is being submitted to the service agency on receipt of payment. All loans have been assigned to the Department of Education.</p> <p>c. Anticipated Completion Date:</p> <p>August 5, 2001</p>

2000-3.

a. Name(s) of Contact Person(s) Responsible for Corrective Action:

Deborah S. Meeks, Business Manager (662) 621-4124

b. Corrective Action Planned:

Procedures have been established to ensure that student accounts receivable is reconciled monthly to the detailed subsidiary ledger. Old student debit balances are still being investigated. The old credit account balances have been cleared and corrective action

Anticipated Completion Date:

August 13, 2001

2000-4.

a. Name(s) of Contact Person(s) Responsible for Corrective Action:

Mildred Cannon, Payroll Officer (662) 621-4106

b. Corrective Action Planned:

Appointment letters for non-contractual employees have been placed in the employee personnel file. Procedures are now in place for documentation to accompany request for hotel arrangements and rosters are presented for group meals.

c. Anticipated Completion Date:

August 1, 2001

2000-5.

a. Name(s) of Contact Person(s) Responsible for Corrective Action:

Deborah S. Meeks, Business Manager (662) 621-4124

b. Corrective Action Planned:

Procedures have been established to write-off old outstanding checks monthly. The bank account for the cafeteria plan has been recorded on the ledger. All voided checks are marked and defaced. Bank reconciliation include copies of all reconciling items with explanations.

c. Anticipated Completion Date:

September 1, 2001

- 2000-6.
- a. Name(s) of Contact Person(s) Responsible for Corrective Action:  
Deborah S. Meeks, Business Manager (662) 621-4124
  - b. Corrective Action Planned:  
Procedures have been implemented to assure that all student room deposits are refunded at the end of the school year. Housing deposits for students who are not enrolled are returned within two weeks after registration closes.
  - c. Anticipated Completion Date:  
August 31, 2001
- 2000-7.
- a. Name(s) of Contact Person(s) Responsible for Corrective Action:  
Hazeltime Woods-Fouche, Director of Federal Programs (662) 621-4154  
Deborah S. Meeks, Business Manager (662) 621-4124
  - b. Corrective Action Planned:  
Each grant budget will be reviewed monthly to ensure only allowable charges are drawn down.
  - c. Anticipated Completion Date:  
August 1, 2001
- 2000-8.
- a. Name(s) of Contact Person(s) Responsible for Corrective Action:  
Patricia A. Brooks, Financial Aid Director (662) 621-4168
  - b. Corrective Action Planned:  
Updated student enrollment data will be obtained from the Office of Admissions after the final drop/add date to ensure that information in the student financial aid files agrees with the enrollment history.
  - c. Anticipated Completion Date:  
August 1, 2001



# COAHOMA COMMUNITY COLLEGE

## AND AGRICULTURAL HIGH SCHOOL

3240 FRIARS POINT ROAD  
CLARKSDALE, MISSISSIPPI 38614-9799  
662-627-2571

As required by Section \_\_\_\_ .315(b) of OMB Circular A-133, Coahoma Community College and Agricultural High School has prepared and hereby submits the following summary schedule of prior audit findings as of June 30, 2000:

<u>Finding</u>	<u>Status</u>
99-13	Corrective action taken.
99-14	Corrective action taken.
99-15	Corrective action taken.